

back, we are prepared to accept the amendment.

Mr. EHLERS. I would just like to offer a few closing comments.

First of all, I thank you for your offer to work on this problem together. As you know from working with me on this so often, I totally support research in all areas. My concern in this case is that we would be giving some money to one agency and taking it from others. I think we should work together to increase the funding for both, and all boats will rise. If we manage to give the appropriate amount of money to the research institutions, then SBIR and STTR will automatically increase because of that. So if we work together from that standpoint, I think we will be in total agreement.

Madam Chairman, I yield back the balance of my time.

Ms. VELÁZQUEZ. Madam Chairman, I just would like to thank Mr. EHLERS for his commitment. I look forward to our working together to address the issue of the limited resources.

With that, I am prepared to accept the amendment.

I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. EHLERS).

The amendment was agreed to.

AMENDMENT NO. 3 OFFERED BY MR. SESTAK

The CHAIRMAN. It is now in order to consider amendment No. 3 printed in House Report 110-603.

Mr. SESTAK. Madam Chairman, I have an amendment at the desk made in order under the rule.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. SESTAK:

At the end of title I of the bill, insert the following:

**SEC. 1. PROVIDING EXPLANATIONS TO UNSUCCESSFUL APPLICANTS.**

Section 9 of the Small Business Act (15 U.S.C. 638) is amended by adding at the end the following:

“(dd) PROVIDING EXPLANATIONS TO UNSUCCESSFUL APPLICANTS.—Whenever an entity applies for, but does not receive, an award under an SBIR or STTR program under this section, the Federal agency conducting the program shall—

“(1) in a plain and conspicuous manner, notify that entity that it can request an explanation (which must be of a constructive nature) of the reasons why the entity did not receive the award; and

“(2) provide such an explanation to that entity, if the entity so requests.”.

The CHAIRMAN. Pursuant to House Resolution 1125, the gentleman from Pennsylvania (Mr. SESTAK) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Pennsylvania.

Mr. SESTAK. Madam Chairman, I yield myself such time as I may consume.

This amendment mandates that an agency must specify in their notification that unsuccessful applicants are entitled to constructive feedback, po-

tentially opening up the breadth of SBIR grant recipients. This is a very simple and valuable measure to increase the transparency of our Federal agencies. It would allow firms insight into a rejected application and would increase their competitiveness in the future.

On more than one occasion, firms in my district have voiced their concern that the SBIR program awards grants to a relatively small group of businesses. A GAO study actually reported that the 25 most frequent winners of SBIR grants, which represents fewer than 1 percent of the companies in the program, received about 11 percent of the program's awards. Further, there are many qualified applicants that apply for these programs who are unsuccessful each year, but may not know that they are entitled to feedback and an explanation on the decision.

Therefore, by mandating that an agency must specify in the notification that unsuccessful applicants are entitled to constructive feedback, I believe that this will allow firms insight so that they might increase their competitiveness in the future. Furthermore, this amendment will ensure accountability in our Federal agencies.

I therefore urge my colleagues to vote to support this simple amendment to promote transparency and future competitiveness within the SBIR and STTR programs.

Madam Chairman, I reserve the balance of my time.

Ms. VELÁZQUEZ. Madam Chairman, while not opposed to the amendment, I ask unanimous consent to claim the time in opposition.

The CHAIRMAN. Without objection, the gentleman from New York is recognized for 5 minutes.

There was no objection.

Ms. VELÁZQUEZ. I thank the gentleman for his amendment and his effort to improve this bill. The amendment requires Federal agencies to notify unsuccessful applicants to the SBIR program that they can request an explanation of the reasons their application was not funded. This amendment is likely to be a useful clarification to those small firms who are applying to revise their proposals in order to reapply.

I would now yield to the gentleman from Ohio (Mr. CHABOT) for any comments that he might have.

Mr. CHABOT. I thank the chairwoman for yielding.

We have no opposition to the gentleman's amendment. We appreciate his effort to add to the positive things which we need to do to move towards solving this energy crisis we find ourselves in.

Ms. VELÁZQUEZ. Madam Chairman, if the gentleman from Pennsylvania is prepared to yield back, we are prepared to accept the amendment.

The CHAIRMAN. The Chair would advise the gentlewoman from New York that since she claimed the time

in opposition to the amendment, the gentleman from Pennsylvania has the right to close.

Ms. VELÁZQUEZ. I yield back the balance of my time.

Mr. SESTAK. Madam Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. SESTAK).

The amendment was agreed to.

AMENDMENT NO. 4 OFFERED BY MR. MATHESON

The CHAIRMAN. It is now in order to consider amendment No. 4 printed in House Report 110-603.

Mr. MATHESON. Madam Chairman, I have an amendment at the desk.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. MATHESON:

At the end of title V of the bill, add the following (and conform the table of contents accordingly):

**SEC. —. PREFERENCE FOR ORGANIZATIONS THAT ARE MAKING SIGNIFICANT CONTRIBUTIONS TOWARDS ENERGY EFFICIENCY.**

Section 9 of the Small Business Act (15 U.S.C. 638) is further amended by adding at the end the following:

“(ff) PREFERENCE FOR ORGANIZATIONS THAT ARE MAKING SIGNIFICANT CONTRIBUTIONS TOWARDS ENERGY EFFICIENCY.—In making awards under this section, Federal agencies shall give priority to applications so as to increase the number of SBIR, STTR, and FAST award recipients from organizations that are making significant contributions towards energy efficiency, including organizations that are making efforts to reduce their carbon footprint or are carbon neutral.”.

The CHAIRMAN. Pursuant to House Resolution 1125, the gentleman from Utah (Mr. MATHESON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Utah.

Mr. MATHESON. Thank you, Madam Chairman.

First I would like to commend Chairwoman VELÁZQUEZ, Ranking Member CHABOT and the Small Business Committee, as well as Chairman GORDON and Ranking Member HALL and the Science and Technology Committee, for all their hard work in bringing this important bill to the floor today.

I think we all agree that the U.S. economy is built on the growth and success of small businesses and we in Congress should continue to look for ways that we can support small business so it can succeed. That is why I am offering an amendment to H.R. 5819 today.

My amendment helps incentivize energy efficient practices for small businesses by rewarding business that seek to reduce their costs through a reduced carbon footprint. This amendment gives priorities to applicants of SBIR, STTR and FAST grants that have demonstrated an ability to reduce their carbon footprint.

Many small businesses have already developed practices to reduce their carbon footprint. By adopting energy efficient practices, they are reducing costs